Unitil
Unitil Service Corp.

May 24, 2004

By Overnight Express Mail

Mary L. Cottrell, Secretary
Massachusetts Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: Investigation by the Department of Telecommunications and Energy into Fitchburg Gas and Electric Light Company's 2003 Service Quality Report, filed pursuant to Service Quality Standards for Electric Distribution Companies and Local Gas Distribution Companies. D.T.E. 04-21.

Dear Secretary Cottrell:

Enclosed for filing please find Fitchburg Gas and Electric Light Company d/b/a Unitil ("Unitil") responses to the First Set of Information Requests from the Department of Telecommunications and Energy ("Department") in the above-captioned filing.

Thank you for your attention to this matter.

Sincerely,

Gary Epler

Enclosure

cc: Jody M. Stiefel, Hearing Officer (3 copies)
Service List (by U.S. Mail)

Gary Epler
Senior Regulatory Counsel

6 Liberty Lane West
Hampton, NH 03842-1720

Phone: 603-773-6440
Fax: 603-773-6640
Email: epler@unitil.com

Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company d/b/a Unitil
Docket No: D.T.E. 04-21
Department's First Set of Document and Information Requests

Request No. DTE 1-1

For the Company's electric division, please provide the Company's 2003 Distribution Revenues. Identify the source for this value.

Response:

The distribution revenues for FG&E's Electric Division for calendar year 2003 are $15,890,347. The data was obtained from FG&E's general ledger.

Person Responsible: Todd Bohan **Date:** May 24, 2004

Request No. DTE 1-2

For the Company's electric division, please provide the Company's 2003 Transmission Revenues. Identify the source for this value.

Response:

The internal transmission revenues for FG&E's Electric Division for calendar year 2003 are $856,886. The data was obtained from FG&E's general ledger.

Person Responsible: Todd Bohan **Date:** May 24, 2004

Request No. DTE 1-3

In the Company's filing in DTE 03-19, the electric division provided 10 years of data (1993 through 2002) in the derivation of the average, standard deviation and deadband for Consumer Division cases and Lost Work Time Accident Rate. Why did the Company exclude the 1993 data and include the 2003 data in this docket?

Response:

In its filing, FG&E's Annual Service Quality Report for its Electric Division for the calendar year 2002, in DTE 03-19, FG&E provided the 10 most-recent years of data (1993 through 2002) in the derivation of the average, standard deviation and deadband for Consumer Division Cases and the Lost Work Time Accident Rate. In FG&E's Service Quality Plan – Electric Division[1], page 4 of 16, it states:

> ***"The historical average and standard deviation for benchmarking is based on the ten most recent years worth of data for FG&E. This is a fixed average for the duration of the PBR. Where ten years worth of information is not available, FG&E will use the maximum number of years of data available, so long as three years are available. As FG&E collects additional data, that data will be included in benchmarking until ten years worth of data is collected."***

Based on this, FG&E used the ten most recent years worth of data (1993 through 2002) in last year's filing, DTE 03-19. Accordingly, FG&E used the ten most recent years worth of data (1994 through 2003) in this year's filing, DTE 04-21.

While FG&E is not operating under a PBR Plan, once a benchmark is established, future performance would be measured against that benchmark. For illustrative purposes as part of this response, FG&E is providing the average, standard deviation and penalty and offset ranges for Consumer Division Cases and the Lost Work Time Accident Rate based on the ten year period (1993 through 2002). FG&E is also providing revised sheets for all service quality measures reflecting this change for both the Electric and Gas Divisions. The revised sheets include the following additional changes: (1) For the Telephone Service Factor and Service Appointments Met As Scheduled sheets for both the Electric and Gas Divisions, changes were made to incorporate revisions to the historical data and are so noted on the revised sheets; and (2) For the Consumer Division Cases for the Electric Division a correction has been made. The data point for 2003 was inadvertently shown as 0 cases and has been corrected to reflect the 2003 actual

[1] FG&E's Service Quality Plan – Electric Division was approved by the Department on December 5, 2001.

performance of 84 cases. Please see Attachment DTE-1-3 which contains the revised sheets.

Person Responsible: Todd Bohan **Date:** May 24, 2004

Fitchburg Gas and Electric Light Company
Electric Division
Telephone Service Factor

Benchmarks, Standard Deviations, and Supporting Calculations

Non-Emergency Calls

Benchmark		55.0%	handled within 20 seconds
Current Year Performance	2003:	66.3%	handled within 20 seconds
Historical Data	2002:	64.4%	handled within 20 seconds
Used to Set Benchmark	2001:	63.0%	handled within 20 seconds
	2000:	51.5%	handled within 20 seconds
	1999:	48.8% (1)	handled within 20 seconds
	1998:	47.3% (1)	handled within 20 seconds
Average		55.0%	handled within 20 seconds
Standard Deviation Calculation		8.1%	handled within 20 seconds
Penalty Range		46.9% to 38.8%	
Offset Range		63.1% to 71.2%	

Note: Data provided to the nearest 10th of a percent, in accordance with Section VIII A.

(1) As revised in response to DTE-1-1 in DTE 03-19, filed on May 7, 2003.

Emergency Call Data

Benchmark		not applicable	
Current Year Performance	2003:	50.2%	handled within 20 seconds
Historical Data	2002:	46.2%	handled within 20 seconds
	2001:	70.8% (1)	handled within 20 seconds
Average		58.5%	handled within 20 seconds
Standard Deviation Calculation		not applicable	
Penalty Range		not applicable	
Offset Range		not applicable	

Note: Data provided to the nearest 10th of a percent, in accordance with Section VIII A.

(1) Based on September through December 2001 data, and as revised in response to DTE-1-1 in DTE 03-19, filed on May 7, 2003.

Fitchburg Gas and Electric Light Company
Electric Division
Service Appointments Met As Scheduled

Benchmarks, Standard Deviations, and Supporting Calculations

Benchmark		98.9%	met as scheduled
Current Year Performance	2003:	99.3%	met as scheduled
Historical Data	2002:	99.6% (1)	met as scheduled
	2001:	98.7%	met as scheduled
	2000:	98.5%	met as scheduled
Average		98.9%	met as scheduled
Standard Deviation Calculation		0.6%	met as scheduled
Penalty Range		98.3% to 97.8%	
Offset Range		99.5% to 100.1%	

Note: Data provided to the nearest 10th of a percent, in accordance with Section VIII A.

(1) As revised in response to DTE-1-2 in DTE 03-19, filed on May 7, 2003.

Fitchburg Gas and Electric Light Company
Electric Division
On-Cycle Meter Readings

Benchmarks, Standard Deviations, and Supporting Calculations

Benchmark		94.2%	meters read on-cycle
Current Year Performance	2003:	96.4%	meters read on-cycle
Historical Data	2002:	96.9%	meters read on-cycle
Used to Set Benchmark	2001:	96.1%	meters read on-cycle
	2000:	93.9%	meters read on-cycle
	1999:	94.9%	meters read on-cycle
	1998:	89.3%	meters read on-cycle
Average		94.2%	meters read on-cycle
Standard Deviation Calculation		3.0%	meters read on-cycle
Penalty Range		91.2% to 88.3%	
Offset Range		97.2% to 100.2%	

Note: Data provided to the nearest 10th of a percent, in accordance with Section VIII A.

Fitchburg Gas and Electric Light Company
Electric Division
Consumer Division Cases

Benchmarks, Standard Deviations, and Supporting Calculations

Benchmark		62.3 Cases
Current Year Performance	2003:	84.0 Cases
Historical Data	2002:	58.0 Cases
Used to Set Benchmark	2001:	68.0 Cases
	2000:	63.0 Cases
	1999:	78.0 Cases
	1998:	94.0 Cases
	1997:	54.0 Cases
	1996:	77.0 Cases
	1995:	47.0 Cases
	1994:	56.0 Cases
	1993:	28.0 Cases
Average		62.3 Cases
Standard Deviation Calculation		18.4 Cases
Penalty Range		80.7 to 99.0 Cases
Offset Range		43.9 to 25.6 Cases

Note: Data provided to the nearest 10th of a case.

Fitchburg Gas and Electric Light Company
Electric Division
Billing Adjustments

Benchmarks, Standard Deviations, and Supporting Calculations

Benchmark		$12.92 per 1,000 Customers
Current Year Performance	2003:	$0 per 1,000 Customers
Historical Data	2002:	$0 per 1,000 Customers
Used to Set Benchmark	2001:	$0 per 1,000 Customers
	2000:	$0 per 1,000 Customers
	1999:	$0 per 1,000 Customers
	1998:	$5.16 per 1,000 Customers
	1997:	$0 per 1,000 Customers
	1996:	$0 per 1,000 Customers
	1995:	$0 per 1,000 Customers
	1994:	$111.14 per 1,000 Customers
Average		$12.92 per 1,000 Customers
Standard Deviation Calculation		$36.87 per 1,000 Customers
Penalty Range		$49.79 to $86.66
Offset Range		Not Applicable*

Note: Data provided to the nearest 100th of a dollar.

*Offsets are not applicable at this time because one standard deviation below the average is in the negative range. Since the deadband alone brings this value below zero, no offset is applicable at this time.

Fitchburg Gas and Electric Light Company
Electric Division
Lost Work Time Accident Rate

Benchmarks, Standard Deviations, and Supporting Calculations

Benchmark		9.62	incidents per 100 FTEs
Current Year Performance	2003:	2.20	incidents per 100 FTEs
Historical Data	2002:	1.02	incidents per 100 FTEs
Used to Set Benchmark	2001:	7.33	incidents per 100 FTEs
	2000:	7.44	incidents per 100 FTEs
	1999:	7.34	incidents per 100 FTEs
	1998:	11.83	incidents per 100 FTEs
	1997:	9.91	incidents per 100 FTEs
	1996:	13.99	incidents per 100 FTEs
	1995:	12.78	incidents per 100 FTEs
	1994:	10.87	incidents per 100 FTEs
	1993:	13.66	incidents per 100 FTEs
Average		9.62	incidents per 100 FTEs
Standard Deviation Calculation		3.96	incidents per 100 FTEs
Penalty Range		13.58 to 17.54	
Offset Range		5.66 to 0.00	

Note: Data provided to the nearest 100th of an accident, in accordance with Section VIII A.

Fitchburg Gas and Electric Light Company
Gas Division
Telephone Service Factor

Benchmarks, Standard Deviations, and Supporting Calculations

Non-Emergency Calls

Benchmark		55.0%	handled within 20 seconds
Current Year Performance	2003:	66.3%	handled within 20 seconds
Historical Data	2002:	64.4%	handled within 20 seconds
Used to Set Benchmark	2001:	63.0%	handled within 20 seconds
	2000:	51.5%	handled within 20 seconds
	1999:	48.8% (1)	handled within 20 seconds
	1998:	47.3% (1)	handled within 20 seconds
Average		55.0%	handled within 20 seconds
Standard Deviation Calculation		8.1%	handled within 20 seconds
Penalty Range		46.9% to 38.7%	
Offset Range		63.1% to 71.3%	

Note: Data provided to the nearest 10th of a percent, in accordance with Section VII A.

(1) As revised in response to DTE-1-1 in DTE 03-19, filed on May 7, 2003.

Emergency Call Data

Benchmark		not applicable	
Current Year Performance	2003:	83.5%	handled within 20 seconds
Historical Data	2002:	80.7%	handled within 20 seconds
	2001:	78.0% (1)	handled within 20 seconds
Average		79.4%	
Standard Deviation Calculation		not applicable	
Penalty Range		not applicable	
Offset Range		not applicable	

Note: Data provided to the nearest 10th of a percent, in accordance with Section VII A.

(1) Based on November and December 2001 data.

Fitchburg Gas and Electric Light Company
Gas Division
Service Appointments Met As Scheduled

Benchmarks, Standard Deviations, and Supporting Calculations

Benchmark		98.4%	met as scheduled
Current Year Data	2003:	99.2%	met as scheduled
Historical Data	2002:	99.0% (1)	met as scheduled
	2001:	98.0%	met as scheduled
	2000:	98.3%	met as scheduled
Average		98.4%	met as scheduled
Standard Deviation Calculation		0.5%	met as scheduled
Penalty Range		97.9% to 97.4%	
Offset Range		98.9% to 99.5%	

Note: Data provided to the nearest 10th of a percent, in accordance with Section VII A.

(1) As revised in response to DTE-1-2 in DTE 03-19, filed on May 7, 2003.

Fitchburg Gas and Electric Light Company
Gas Division
On-Cycle Meter Readings

Benchmarks, Standard Deviations, and Supporting Calculations

Benchmark		90.1%	meters read on-cycle
Current Year Performance	2003:	92.6%	meters read on-cycle
Historical Data	2002:	92.9%	meters read on-cycle
Used to Set Benchmark	2001:	92.5%	meters read on-cycle
	2000:	90.9%	meters read on-cycle
	1999:	90.6%	meters read on-cycle
	1998:	83.6%	meters read on-cycle
Average		90.1%	meters read on-cycle
Standard Deviation Calculation		3.8%	meters read on-cycle
Penalty Range		86.3% to 82.6%	
Offset Range		93.9% to 97.6%	

Note: Data provided to the nearest 10th of a percent, in accordance with Section VII A.

Fitchburg Gas and Electric Light Company
Gas Division
Consumer Division Cases

Benchmarks, Standard Deviations, and Supporting Calculations

Benchmark		62.3 Cases
Current Year Performance	2003:	84.0 Cases
Historical Data	2002:	58.0 Cases
Used to Set Benchmark	2001:	68.0 Cases
	2000:	63.0 Cases
	1999:	78.0 Cases
	1998:	94.0 Cases
	1997:	54.0 Cases
	1996:	77.0 Cases
	1995:	47.0 Cases
	1994:	56.0 Cases
	1993:	28.0 Cases
Average		62.3 Cases
Standard Deviation Calculation		18.4 Cases
Penalty Range		80.7 to 99.0 Cases
Offset Range		43.9 to 25.6 Cases

Note: Data provided to the nearest 10th of a case.

Fitchburg Gas and Electric Light Company
Gas Division
Billing Adjustments

Benchmarks, Standard Deviations, and Supporting Calculations

Benchmark	$44.46 per 1,000 Customers
Current Year Performance	2003: $111.14 per 1,000 Customers
Historical Data Used to Set Benchmark	2002: $50.35 per 1,000 Customers 2001: $0 per 1,000 Customers 2000: $24.79 per 1,000 Customers 1999: $71.20 per 1,000 Customers 1998: $253.83 per 1,000 Customers 1997: $0 per 1,000 Customers 1996: $0 per 1,000 Customers 1995: $0 per 1,000 Customers 1994: $0 per 1,000 Customers
Average	$44.46 per 1,000 Customers
Standard Deviation Calculation	$82.81 per 1,000 Customers
Penalty Range	$127.27 to $210.08
Offset Range	not applicable*

Note: Data provided to the nearest 100th of a dollar.

*Offsets are not applicable at this time because one standard deviation below the average is in the negative range. Since the deadband alone brings this value below zero, no offset is applicable at this time.

Fitchburg Gas and Electric Light Company
Gas Division
Lost Work Time Accident Rate

Benchmarks, Standard Deviations, and Supporting Calculations

Benchmark		9.62	incidents per 100 FTEs
Current Year Performance	2003:	2.20	incidents per 100 FTEs
Historical Data	2002:	1.02	incidents per 100 FTEs
Used to Set Benchmark	2001:	7.33	incidents per 100 FTEs
	2000:	7.44	incidents per 100 FTEs
	1999:	7.34	incidents per 100 FTEs
	1998:	11.83	incidents per 100 FTEs
	1997:	9.91	incidents per 100 FTEs
	1996:	13.99	incidents per 100 FTEs
	1995:	12.78	incidents per 100 FTEs
	1994:	10.87	incidents per 100 FTEs
	1994:	13.66	incidents per 100 FTEs
Average		9.62	incidents per 100 FTEs
Standard Deviation Calculation		3.96	incidents per 100 FTEs
Penalty Range		13.58 to 17.54	
Offset Range		5.66 to 0.00	

Note: Data provided to the nearest 100th of an accident, in accordance with Section VII A.

Request No. DTE 1-4

For the Company's electric division, please explain why the Company includes 2003 statistics in the derivation of the average, standard deviation and deadband for Telephone Service Factor, Service Appointments Met As Scheduled, On-Cycle Meter Readings and Billings Adjustments.

Response:

Please see response to Request No. DTE 1-3.

Person Responsible: Todd Bohan **Date:** May 24, 2004

Request No. DTE 1-5

For each of the areas for which the Company's performance was not within its deadband, please briefly describe the reasons for such performance.

Response:

There is just one area, Consumer Division Cases, in which FG&E's performance was not within the deadband. Since the data is not segmented by division, this applies to both the Electric and Gas Divisions. As shown on pages 4 and 10 of Attachment DTE-1-3, there were 84 Consumer Division Cases for 2003. This exceeded the deadband of 80.7. Please note that for the following measures: Response to Odor Calls, Lost Work Time Accident Rate and Telephone Service Factor, FG&E's performance was in the offset range.

FG&E's reported Consumer Division Cases exceeded the deadband for 2003 due to the increase in billing-related cases, credit-related cases and rate-related cases. These three categories accounted for 71 of the 84 cases. Customers reported most of the complaints from June to November of 2003. These months coincide with FG&E's efforts to collect customer arrearages from the charges they incurred during the prior winter months. Last year was a particularly difficult year for customers because of the unseasonably cold winter causing high gas and electric usage and high industry gas and electric rates.

Person Responsible: Mark Lambert **Date:** May 24, 2004

Request No. DTE 1-6

Please provide a worksheet calculating all penalties and offsets incurred by Fitchburg's gas division as a result of the 2003 performance measurement.

Response:

Please see Attachment DTE-1-6 which has been provided for illustrative purposes. FG&E is not operating under a PBR Plan at this time. Note that for this analysis, FG&E has calculated the mean and benchmark of each performance measure based on historical data through 2002. Please see response to Request No. DTE 1-3.

Person Responsible: Todd Bohan **Date:** May 24, 2004

FG&E - Gas Division

Calculation of Maximum Penalties and Offsets For 2003 Performance

Total Maximum Penalty/Offset

Annual Transmission and Distribution Revenues (2003)	AR	$10,262,313 (1)
Maximum Penalty (% of T&D Revenues)	0.02	2.00%
Customer Payments (2003)	CP	$0
Maximum Penalty/Offset	AR*0.02-CP	$205,246

Maximum Penalty/Offset by Performance Measure	Total Maximum Penalty/Offset (AR*0.02-CP)	Performance Category Liability (PCL_M)	Maximum Penalty/Offset (PCL_M)*(AR*0.02-CP)
Response to Odor Calls	$205,246	45.0%	$92,361
Lost Work-Time Accident Rate	$205,246	10.0%	$20,525
Telephone Answering Rate	$205,246	12.5%	$25,656
Service Appointments Met	$205,246	12.5%	$25,656
On-Cycle Meter Readings	$205,246	10.0%	$20,525
Consumer Division Cases	$205,246	5.0%	$10,262
Billing Adjustments	$205,246	5.0%	$10,262
Total Maximum Penalty - Gas Division		100.0%	$205,246

Maximum Penalty/Offset by Performance Measure	Penalty Threshold	2003 Actual (ObsResult)	Mean (HistAvgResult)	Standard Deviation (StDev)	Potential Penalty/(Offset) [0.25*((ObsResult-HistAvg Result)/StDev)^2]*MaxPenalty	
Response to Odor Calls	94%	99%	95%	-	($92,361)	(2)
Lost Work-Time Accident Rate	13.58	2.20	9.62	3.96	($18,006)	
Telephone Answering Rate	46.9%	66.3%	55.0%	8.1%	($12,446)	
Service Appointments Met	97.9%	99.2%	98.4%	0.5%	-	
On-Cycle Meter Readings	86.3%	92.6%	90.1%	3.8%	-	
Consumer Division Cases	80.7	84.0	62.3	18.4	$3,579	
Billing Adjustments	$127.27	$111.14	$44.46	$82.81	-	
Total Net Penalty/(Offset) - Gas Division					($119,234)	

(1) Source: FG&E general ledger.

(2) The penalty/(offset) for Response to Odor Calls is based on set factors for 4 different thresholds. This differs from the formula shown above. 95% is the target established by the Department.

Request No. DTE 1-7

For the Company's gas division, please explain why the ten year historical data is not available for the following SQ penalty measures and reporting requirements: Telephone Emergency Answering, Non-Emergency Answering, Service Appointments Kept, Meter Reads, Response to Odor Calls, Staffing Levels, Property Damage > $5k, Unaccounted for Gas, Restricted Work Day Rate.

Response:

For service quality measures, FG&E's Service Quality Plan calls for ten years of data where available. If the data was available, FG&E provided the data. In instances where ten years worth of data was not available, FG&E provided the historical data that was available and has provided below an explanation as to why ten years of data is not available. For other performance measures including (Property Damage, Unaccounted for Gas and Restricted Work Day Rate) FG&E's Plan calls for annual reporting of the data. Accordingly, FG&E provided just the prior calendar year data pertaining to each of its annual reports. Since this is FG&E's third annual report, data has been provided for a total of three calendar years (2001 through 2003). FG&E has not assessed the availability and consistency of historical data for other performance measures prior to 2001.

Telephone Non-Emergency Answering
Prior to FG&E calls being handled through the Unitil Customer Service Center in April 1998, FG&E's system could only track the average speed of answer, but not the percent answered within 20 seconds. In addition, record keeping of this data prior to 1998, was done manually and tracked on paper. All records prior to 1998 have been discarded. Therefore, FG&E has data for Telephone Answering Factor beginning in April 1998.

Telephone Emergency Answering
Prior to September 2001, gas emergency calls were separated and given priority access; however, FG&E did not have a system in place to track the call answering response rate. Therefore, FG&E has data for gas emergency calls starting in September 2001.

Service Appointments Kept
In 1997, FG&E installed a new Customer Information System. Ten years of historical data is not available for the Service Appointments Kept since the scheduling program (used to track service appointment commitments) was not

implemented until January 2000. Therefore, FG&E has data for Service Appointments Kept starting in January 2000.

Meter Reads
Ten years of historical data is not available for Meter Reads because the program used to track Meter Reads, in the Customer Information System, was not implemented until 1998. Complete and consistent data for FG&E's Gas Division began in January 1998. Prior to 1998, the system used to measure Meter Reads could not separate the performance for the Electric and Gas Divisions. Therefore, FG&E has data for Meter Reads starting in January 1998.

Response to Odor Calls
Historical data for Odor Calls has been collected and recorded on a monthly basis. Full year data is available starting in 1998. Prior to this date, Odor Call data is not available as it was not tracked. Therefore, FG&E has data for Response to Odor Calls starting in January 1998.

Staffing Levels
FG&E has reported Staffing Levels starting in 1997 as the Department guidelines have indicated that any Staffing Level benchmark would be determined in relation to 1997.

Person Responsible: Mark Lambert & Raymond Letourneau

Date: May 24, 2004

Request No. DTE 1-8

Please explain how the Company calculates the number of responses to Odor Calls. Specifically, if the Company receives more than one call regarding the same odor source, does the Company count this as one call or as multiple calls?

Response:

When FG&E receives multiple calls regarding the same gas odor incident (same date, same time, and same location) FG&E logs it as one call and calculates the response time from the first call received.

Person Responsible: Raymond Letourneau **Date:** May 24, 2004